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LIKELIHOOD OF MILITARY ACTION BY THE GOVERNMENT OF THE REPUBLIC OF CHINA

Submitted by the

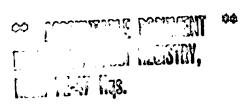
DIRECTOR OF CENTRAL INTELLIGENCE

The following intelligence organizations participated in the preparation of this estimate: The Central Intelligence Agency and the intelligence organizations of the Departments of State, the Army, the Navy, the Air Force, and The Joint Staff.

Concurred in by the

INTELLIGENCE ADVISORY COMMITTEE

on 9 April 1957. Concurring were the Special Assistant, Intelligence, Department of State; the Assistant Chief of Staff, Intelligence, Department of the Army; the Director of Naval Intelligence; the Director of Intelligence, USAF; and the Deputy Director for Intelligence, The Joint Staff. The Atomic Energy Commission Representative to the IAC, and the Assistant Director, Federal Bureau of Investigation, abstained, the subject being outside of their jurisdiction.





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LIKELIHOOD OF MILITARY ACTION BY THE GOVERNMENT OF THE REPUBLIC OF CHINA

THE PROBLEM

To estimate the likelihood of military action by the Chinese Nationalists against the mainland in the next year or so.

CONCLUSION

1. We believe that the Chinese Nationalists are very unlikely to launch an invasion or, in the absence of Chinese Communist provocation, to initiate other major military action against the mainland in the next year or so. There may be some increase in small scale raiding operations, to prevent stabilization of the situation in the Taiwan Strait and to improve intelligence. Moreover, although

we believe it to be unlikely, the possibility cannot be excluded that the Nationalists might attempt within the period of this estimate to embroil the US in major hostilities against the Chinese Communists by a "one-shot" military operation, short of invasion, but of a scale or nature calculated to cause substantial Chinese Communist retaliation. (Paras. 8–10)

DISCUSSION

2. The Government of the Republic of China (GRC) has consistently maintained, since its withdrawal to Taiwan in 1949, that its primary objective is to regain control on the mainland and to eliminate the Chinese Communist regime. Military and political action and planning on Taiwan continue to reflect the primary concern of top Nationalist lead-

ers with preparations for eventual return. Although there probably are a number of Nationalist officials who have little hope of a return to the mainland in the foreseeable future, the top leadership not only maintain this hope, but appear to believe that both their claim to be the government of China and their prospects for recovering the mainland will diminish with prolonged confinement to Taiwan.

3. There has been in recent months a new flurry of statements by top Nationalist leaders on the subject of return to the mainland, emphasizing the combat readiness of their

¹The basic situation of the Government of the Republic of China is considered in NIE 43-56, "The Prospects of the Government of the Republic of China" (9 October 1956). This estimate remains generally valid and covers Chinese Nationalist military capabilities.

Although these statements armed forces. have been more numerous and somewhat more definite in tone than in recent years, they probably have been inspired in part by a desire to refute Chinese Communist propaganda alleging "negotiations" with Nationalist leaders on the future of Taiwan. In addition, Nationalist leaders have indicated renewed interest in determining US views on joint military action and have also shown greater awareness of the need for determining the degree and extent of dissatisfaction on the mainland. The Chinese Nationalist armed forces have made plans for large scale operations, but such planning does not appear to go beyond normal staff activity, and there are no indications at this time of any actual preparations for large scale attack.

- 4. The following factors exist which might tempt the Nationalists to take action against the mainland over the next year or so:
- a. The Nationalist leaders probably estimate that the rate of improvement in their armed forces will level off as the MAP program nears completion. Combat units presently have most of their weapons, and major shortages exist only in logistical support equipment. Furthermore, in the Nationalist view, the gradual influx of Taiwanese into the armed forces could over a period of time substantially reduce Nationalist capabilities against the mainland. Finally, the Nationalists probably estimate that the effectiveness of the Chinese Communist forces is increasing at a rapid rate as they acquire better weapons, improve their logistic capabilities, and increase their air and naval strength, and that the relative strength of the Nationalist forces is progressively declining.2
- b. The Nationalists probably also estimate that there is widespread dissatisfaction with Communist rule among the Chinese people on the mainland, which has been intensified by the recent socialization drive and to some extent by developments in Eastern Europe.
- c. Finally, the Nationalist leaders are concerned that increased pressure throughout the

world for greater acceptance of Peiping may make the US unable or unwilling to prevent the seating of the Peiping regime in the United Nations, and may cause the US to support a stabilization of the situation on a "two Chinas" basis.

- 5. We estimate that by exercising their maximum capability and with an element of surprise the Chinese Nationalists could establish a beachhead on the China mainland, but without US assistance they could hold it for only a short time against determined Communist counteraction. We believe that the top Nationalist leaders probably make the same military estimate. We believe that under these circumstances they will not attempt an invasion unless they are sure that it will either (a) be accompanied by a large scale uprising of the Chinese people, including substantial defections from the Chinese Communist armed forces, or (b) have the active assistance and support of the US.
- 6. The Chinese Nationalists are not likely, within the next year or so, to consider either of these conditions satisfied. They are aware that dissatisfaction on the mainland is not organized and directed, and they probably estimate that an invasion attempt, during the period of this estimate, would not trigger mass uprisings and defections on a scale sufficient to be of significant assistance to them. Moreover, the Chinese Nationalists have almost certainly concluded that the US will not agree to a joint military operation against the mainland, at least under present conditions. We believe, therefore, that they are unlikely to make a formal request of the US for such a joint operation, or to take unilateral action in the hope or expectation of receiving direct US military support. Under the terms of the exchange of notes pursuant to the Mutual Defense Treaty of December 1954 the Government of the Republic of China is committed to "joint agreement" with the US with regard to the "use of force" from territory under its control except for "action of an emergency character which is clearly an exercise of the inherent right of self-defense." Nationalist leaders almost certainly believe that their best chance of eliciting US support would lie in

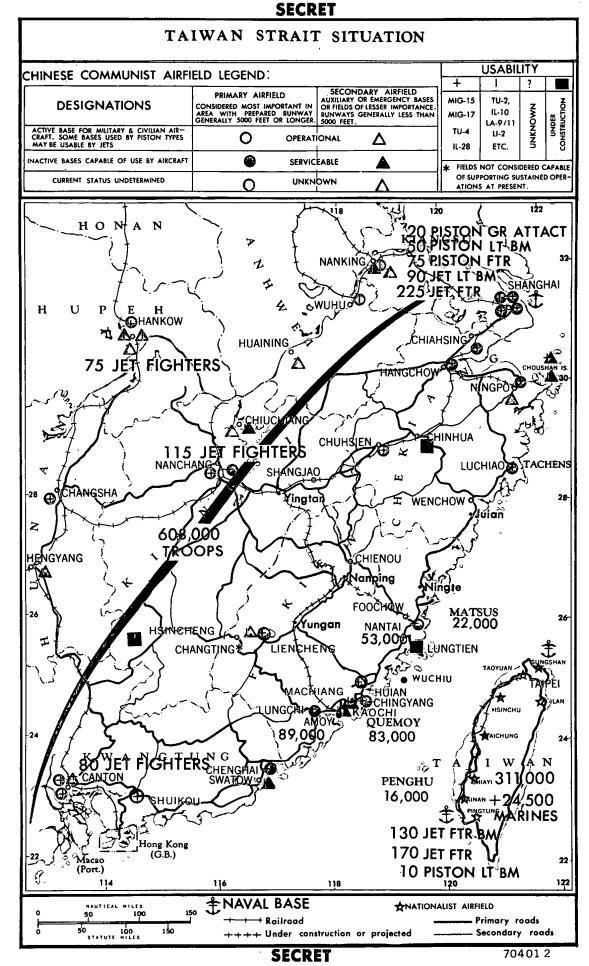
² The military capabilities of the Chinese Communists are considered in NIE 13-57, "Communist China Through 1961" (19 March 1957).

making the hostilities appear to be Chinese Communist-initiated, and they are fully aware that preparations for a major assault could not be concealed from American eyes. Recently President Chiang again assured the US Ambassador in Taipei that his government would not attempt a return to the mainland without prior consultation with the US. The top Nationalist leaders, however, probably believe that any Chinese Communist threatening move, such as a movement of combat aircraft to the nearby coastal air fields, would justify counteraction within their emergency right of self-defense.

- 7. The possibility cannot be excluded that the Chinese Nationalists might attempt to invade the mainland as a matter of desperation, if they felt that their position was deteriorating so greatly as to threaten their existence. However, we foresee no events likely to have this result within the period of this estimate; for example, even Japanese recognition of Communist China or the seating of Communist China in the UNGA, should either occur, would probably not drive the Chinese Nationalists to the point of desperation, provided the US continued to give firm support to the GRC.
- 8. Accordingly, we conclude that the Chinese Nationalists are very unlikely to launch an invasion, or, in the absence of Chinese Communist provocation, to initiate other major military action against the mainland in the next year or so. The chances of major Nationalist action would be increased if the Chinese Communists were to become involved in hostilities in Korea (with or without collusion between the GRC and the ROK) or in Vietnam. However, we believe that, unless such hostilities were accompanied by widespread uprisings on mainland China or the Chinese

Nationalists were convinced that the US would support and assist them, the Nationalists probably would not even then undertake major action.

- 9. The Chinese Nationalists nevertheless possess the capability, and have indicated an intention, to increase the number of small raids and probing actions against the mainland. Such actions could be planned and launched without prior knowledge of American observers. Motivation for increasing such operations would be to prevent stabilization of the situation in the Taiwan Strait and to improve intelligence relating to the coastal areas of the mainland. We believe that over the next year, assuming the present degree of US controls, there may be some increase in small scale raiding operations for these purposes.
- 10. The Chinese Nationalists still believe that their best chance for a successful return to the mainland (short of an internal collapse of the Chinese Communist regime) lies in a war between the US and Communist China. We do not believe the Nationalists would consider that small scale operations would cause the Chinese Communists to hit back in such force as to invoke the GRC-US Defense Treaty, nor do we believe that the Nationalists would conduct any series of larger operations in the face of US disapproval. Although we believe it an unlikely course of action, the possibility cannot be excluded that the Nationalists might attempt within the period of this estimate to embroil the US in major hostilities against the Chinese Communists by a "one-shot" military operation, short of invasion, but of a scale or nature calculated to cause substantial Chinese Communist retaliation.



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